

ESTABLISHED SEP'T 17th, 1870.

PIOCHE, NEVADA, SATURDAY, JANUARY 13, 1912.

VOLUME XLI; NUMBER 18.

Taxation Talk By Governor Oddie

Special to the Record

CARSON CITY, Nev., Jan. 10.—The state board of assessors met here last Monday to begin its deliberations; every county in the state being represented.

At the opening session Governor Oddie delivered an interesting address on the matter of taxation, which was as follows:

Taxation is the fundamental business proposition of any form of government. To conduct civil government; to maintain law and order; and to carry on co-operative institutions for the general welfare requires money, and that money is properly raised only by taxation. If it is a just government, the burden of taxation must be equitably distributed. No man should be compelled to pay more than his proper share of taxes and no man should be permitted to pay less. These are axioms which no one will dispute. Their application presents many complex difficulties.

I believe that Nevada is far behind many other states in the solution of the problems of equitable taxation. Yet I believe that there is no other subject of such immediate importance to the people of this state as this.

We have an ad valorem system of taxation on all property in this state. The tax rate is fixed by the legislature and applies uniformly to all kinds of property, real, personal and possessory. Any inequality in the system of taxation, therefore, must result from inequality in the appraisal of valuation upon different pieces, kinds or classes of property.

Sixty per cent of the cash value of all the various kinds of property in this state is popularly supposed to be the uniform basis of valuation for assessment purposes. It is a matter of common knowledge that while residence property in the towns and cities is generally taxed up to this basis, as well as the realty and improvements of small property owners in many instances, very little other property in the state is anywhere near so highly appraised. The testimony of the assessors at the meeting of this board held on January 10, 1910, showed a range of appraisements of from 35 to 60 per cent of the cash value, and it is probable that the variation on close investigation will be found to vary within wider extremes than this, or as low as 25 per cent, at least on certain classes of property.

Effect on Taxpayer
It is interesting to note the effect on the taxpayer of such variations in assessment valuations. Not everyone has given it due consideration, and a few have worked it out by the proper method of computation.

Let us assume, for purposes of illustration, that \$100 is required to be raised by taxation, and that the real cash value of the property which must be assessed is \$10,000. Let us further suppose that this \$10,000 worth of property may be classified as follows:

Residence property, actual cash value, \$1,000.
Farm property, actual cash value, \$2,000.
Railroad property, actual cash value, \$4,000.
Industrial business property, actual cash value, \$500.
Public utility property, actual cash value, \$1,000.
Stock range and live stock property, actual cash value, \$1,500.
Total actual cash value, \$10,000.

How It Would Work
Now if this \$10,000 worth of property be assessed at its full cash value, in each instance, a tax rate of \$1 on each \$100 valuation would produce the \$100 revenue required. If the basis of valuation be 60 per cent of the cash value, a rate of \$1.66 2/3 on each \$100 valuation will produce that amount of revenue. In each instance the amount of taxes the owners of each class of property would pay, and which may be termed the just amount each class should pay, would be as follows:

The residence property would pay \$10.
The farm property would pay \$20.
The railroad property would pay \$40.
The industrial business property would pay \$5.
The public utility property would pay \$10.
The stock range and live stock property would pay \$15.
Total taxes paid \$100.

The public utility property would pay \$10.
The stock range and live stock property would pay \$15.
Total taxes paid \$100.

How It Works Out Now
But let us suppose that instead of a uniform system of valuation applied to each class of property, that the basis of valuation in each varied as follows:

\$1,000 residence property, assessed at 60 per cent of its cash value, \$600.
\$2,000 farm property, assessed at 25 per cent of its cash value, \$500.
\$4,000 railroad property, assessed at 30 per cent of its cash value, \$1,200.

\$500 business property, assessed at 50 per cent of its cash value, \$250.
\$1,000 public utility property, assessed at 25 per cent of its cash value, \$250.
\$1,500 stock range etc. property, assessed at 30 per cent of its cash value, \$450.

Total assessment valuation, \$3,250.
To realize \$100 in taxes on \$3,250 worth of property, the rate will have to be \$3.08 on each \$100 valuation. Now let us see what the result is to the taxpayer.

The residence property, on a uniform system of valuation, should only be required to pay \$10 taxes, but under the above system has to pay \$18.48 taxes, or 84.8 per cent more than its just proportion.

The farm property, on a uniform basis of valuation, should pay \$20 taxes, but under the above system pays \$15.40, or 23 per cent less than its just proportion.

The railroad property on a uniform basis of valuation, should pay \$40 taxes, but under the above system pays \$36.96, or 7.4 per cent less than its just proportion.

The business property, on a uniform basis of valuation, should pay \$5 taxes, but under the above system pays \$7.70, or 54 per cent more than its just proportion.

The stock range and live stock property, on a uniform basis of valuation, should pay \$15 taxes, but under the above system pays \$13.86, or 8 per cent less than its just proportion.

The Benefitted and Injured

It isn't difficult to discover who is benefitted and who is injured by such a system. Moreover, if one wanted to reform the system, those who were particularly benefitted by the existing system would naturally not be extremely anxious for the change. It is clear, that on such a system of taxation as presented, the basis of valuation is not 60 per cent of the total cash value of the property to be assessed, but is precisely 32.5 per cent, and that all property returned for assessment purposes at a higher rate is paying an undue proportion of the cost of government and all that is assessed at less than 32.5 per cent of its cash value is paying less than it should.

I am not claiming that these classifications of property valuations with respect to assessment valuation and relative valuations are entirely accurate with respect to our taxation system in Nevada, but I believe that they approximate the facts close enough for the taxpayer to draw some valuable conclusions.

Opinion is Unchanged

I took the stand at the time the legislature was in session and I have not since found reason to change my opinion, that the enforcement of an impartial and uniform system of valuing property for assessment purposes in this state would result in supplying the funds necessary to maintain our state and county governments without serious hardship to anyone; would, in fact, lessen the existing burden on the residence property owner and the average business man and not very seriously affect those who are delinquent. I advocated the passage by the legislature of a bill which I believe would have given us in a short while one of the most perfect taxation systems, if not the best, in this country. It failed to pass the last session, but in spite of that fact, that bill or some better bill is bound to receive attention at the next and succeeding legislatures, unless in the meantime the state board of assessors discovers the way to give the state a uniform system of valuation of all kinds and classes of property throughout the several counties.

A Business Proposition

Taxation is a business proposition. It is not a partisan political question in any sense of the word. On the other hand it is a question on which those who are getting the best of the inequality of the existing system, whose property is undervalued, will be found lined up in active opposition to any change. My mind is open on the subject of what is best to be done to accomplish the result of equalizing property valuations. The best, surest and simplest way to get that result is what

Nevada Mining Outlook Is Bright

At the recent meeting of the state bankers' organization at Reno, L. F. Adamson, state bullion tax collector, delivered an address upon the mineral output of the state from which the following excerpts have been taken:

Lincoln County
During the year 1909 Lincoln county produced 115,958 tons of ore value at \$511,331.33; in 1910 only 760 tons, valued at \$10,640, (due to the railroad washout) and for the first six months of 1911, 7326 tons of the value of \$46,775.69.

White Pine County
White Pine county produced in 1909, 1,678,595 tons of ore (principal copper) of the value of \$7,114,354.19; during 1910, 2,407,462 tons, \$8,582,469.81; during the first six months of 1911, 1,413,965 tons, \$4,326,529.49. This county which during the late 60's and early 70's was the largest silver producing county in the state, and which for over twenty years lay dormant as a mining section, is today one of the largest producers of copper in the world.

Esmeralda County
Esmeralda county produced in 1909, 327,870 tons of ore of a value of \$11,466,677.85; in 1910, 459,801 tons \$9,587,833.59; during first six months of 1911, 280,233 tons \$6,022,210.71. It is impossible to do this county justice in a limited paper of this nature. The Goldfield Consolidated Mines company, probably the richest gold producer of the world today, has been previously mentioned. Its wonderful group of mines has high grade milling ore blocked out for years ahead and large acreage of undeveloped territory that doubtless contains untold wealth. Its new mill and a quarter dollar gold mill is now turning out bullion from 300 tons of ore per day and the property has maintained a dividend rate of 50 cents per share per quarter for a considerable time past.

Humboldt County
This county produced during the year 1909, 8846 tons of ore of a value of \$350,798.96; during 1910, 4260 tons, \$1,415,292.59, and during the first six months of 1911, 9166 tons \$748,448.97. I want to particularly call your attention to the almost unbelievable grade of the small quantity of ore extracted during 1910. Humboldt county, one of the largest counties in the state, has been but little prospected in comparison with other sections, but what has been done along these lines has been productive of most astounding results.

Nye County
This county produced during 1909, 374,827 tons of ore of an aggregate value of \$5,740,518.15; during 1910, 501,435 tons, \$9,961,441.27, and for the first six months of 1911, 363,491 tons, \$4,852,962.44.

Nye county boasts the greatest number of producers of any county in the state.

Storey County
This county for 1909 shows an ore tonnage of 83,948 valued at \$643,511.73; during 1910, 115,890 tons, \$584,866.16; and for the first six months of 1911, 43,515 tons, \$301,890.51. While the exciting times of the old Comstock days will probably never be revived, when that fabulously rich lode was pouring its King's ransom into the lap of an otherwise impoverished nation, yet every indication points to its taking a new lease of life and giving up additional treasure with a bountiful hand.

Eureka County
Eureka county has produced during the year 1909, 102,622 tons of ore of a gross value of \$815,998.96; during 1910, its output was 29,598 tons valued at \$181,146.33; for the first six months of 1911, 5822 tons, \$42,237.04. The great falling off in the production as shown by these figures is due to the complete demoralization of transportation facilities occasioned by an unprecedented series of cloudbursts and floods in the year 1909.

I want to bring about, if possible, and is what the public wants. If the state board of assessors at this meeting can meet the situation in a way to show its competence to arrive without too great delay at the result desired, I shall be most happy, and in any way that I can be of aid or assistance I can do so with the sincere and profound wish for the success of this meeting.

Clark County
During the year ending December 31, 1909, Clark county producing a tonnage of 11,317, of a gross value of \$66,723.44; during same period 1910 her production was 35,894 tons, a value of \$190,791.43; for the first six months of the current year she shows a tonnage of 2,354, valued at \$36,447.23.

Lyon County
This county has produced during 1909, 21,578 tons of ore of an aggregate value of \$78,186.79; during 1910, 18,469 tons valued at \$79,672.66, and during the first six months of 1911, tonnage not given but of a value of \$18,845.66.

Washoe County
This county produced during 1909, 1200 tons of ore of the value of \$5,000.00; during 1910, 543 tons, \$8,310.6 and during the first six months of 1911, 623 tons, \$20,069.23.

Churchill County
During 1909 the Churchill county produced 715 tons of an aggregate value of \$54,228.08; during 1910, 54 tons, \$8,269.39, and for the first six months of 1911, 12 tons, \$823.94.

Outlook For 1912
The outlook for the year 1912 is very flattering. Mining operations have been placed on a good, solid business foundation and the element of chance is as nearly eliminated as is possible in such enterprises. The golden treasure that has been glimpsed from the bosom of mother earth is but a drop in the ocean to that which still lies concealed there. The opportunities in a mining way today are greater than they ever were before. The known mineralized fields are more easily accessible; the extreme dangers, hardships and privations suffered by the early pioneer are greatly modified; we have the advantage of more accurate geological information and the effect of local formation and conditions as established by precedent. Nevada is drawing near her legitimate place in the roll of the precious metal producing states of the Union, and will very soon stand at the head, and from thence by leaps and bounds will so far outdistance her nearest competitor that her absolute supremacy will never be a question of doubt.

BIDS ARE IN FOR PRINCE CON. RAILROAD

Up to a late hour last night, no word had been received from Salt Lake indicating that the contract had been let for the construction of the Prince Con. railroad.

It is said, however, that the bids are in the hands of Prince Con. officials and that it is a matter of only a few days until the award will be made.

Some news along this line may be expected almost any moment. Meanwhile, the engineers are finishing up the work of cross-sectioning the route as rapidly as possible.

EXTREME COLD WEATHER AFFECTS COPPER OUTPUT

The extremely cold weather has made it most difficult to the Nevada Consolidated to keep up its usual tonnage from Copper Flat, but the Veteran is gradually coming to the rescue and is now producing about 2-3 tons daily, which will be largely increased in the near future. As soon as the weather again becomes normal the probabilities are that there will be an increased tonnage all along the line. The new Nordberg pump is now in commission at the smelter, hence there will be no further difficulties in regard to an ample water supply. The foundation is also in for the second basic converter, which will go into commission within a few weeks.—Ely Record.

THE SPIDER AND THE ADVERTISER

When Mark Twain in his early days was editor of a Missouri paper a superstitious subscriber wrote to him saying that he had found a spider in his paper and asked if it was a sign of good or bad luck.

The humorist wrote his answer and printed it: "Old Subscriber—Finding a spider in your paper is neither good or bad luck. The spider was merely looking over your paper to see which merchant is not advertising, so he will know where the other spiders have got their webs up."—Exchange.

DISTRICT COURT TERM NEAR AT HAND IN CLARK

Judge Taber has advised Clark Harmon to prepare for the opening of the district court for Clark county on the 25th inst.

The grand jury will be called for that date and the trial jury for February 6th.

Day-Bristol Is Mentioned In Suit

Copies of the complaint filed in the circuit court of the United States for the district of Maine at Portland, Me., several weeks ago, in which the Nevada Utah Mines & Smelters corporation seeks to secure the return of 15,000 shares of Day-Bristol Consolidated Mining stock from Ernest R. Woolley, have been received in Salt Lake, says the Deseret News.

The suit makes defendants besides Ernest R. Woolley, L. O. Naylor, a brother-in-law, H. A. Beers, W. D. Woolley, H. C. Iverson, C. A. Hoagland, T. H. Woolley, F. R. Williams, Theodore Tobiasen, F. J. Fabian, A. H. Woolley, Fred R. Woolley, W. B. Burton, E. A. Culbertson and Henry Melville, as receiver in bankruptcy of the Nevada Utah Mines & Smelters corporation.

According to the complaint the Day Bristol Consolidated Mining company owns valuable mining properties in Nevada and that 300,000 shares of stock in the company, of a par value of \$10 a share, have been issued. On or before July 3, 1911, the Nevada Utah purchased of the Day Bristol 15,000 shares of stock and the same were placed in the name of S. F. Sullivan and E. A. Culbertson.

It is alleged that the defendants of the Nevada Utah, while it is alleged that as a matter of fact he was not qualified to act as such president and was not such president. It is declared that although Woolley was asked for the stock he refused to return it.

According to the complaint Woolley delivered the stock to Fryd. R. Woolley and caused him to deliver the same to the Day-Bristol and receive certificates for stock in the names of the defendants mentioned except Culbertson, Naylor and Melville. This stock amounted to 5,000 shares, and it is declared is still retained by the defendants mentioned.

On July 3, it is declared that Woolley signed the name of the Nevada Utah to a negotiable note for \$10,000, payable to the order of L. O. Naylor, who is a resident of New York City. As collateral for the note it is declared that Woolley deposited the remaining 10,000 shares of the Day-Bristol stock.

The complaint charges that Woolley still retains the 10,000 shares of stock that was put up as collateral on the \$10,000 note and that he has no right or interest whatever in them. As the note was not authorized by the company it is asserted that the plaintiff can in no way be bound by it.

As Receiver Melville refused to bring the action, it is declared that he is therefore made a defendant. Culbertson, it is averred will probably claim some interest in the 15,000 shares.

GOVERNOR ODDIE MAY BECOME A BENEDICT

A Carson City dispatch to the Reno Gazette says: "When Governor Oddie was asked by a correspondent whether or not it was true that he planned to become a benedict ere long, the chief magistrate colored clear to the back of his bald place, smiled and apologetically and changed the subject. But the correspondent was persistent and finally the governor said: 'I will not affirm, nor deny the rumor.'"

"So, it's as good as settled, and when the robin nest again it is very probable that there will be a first lady of the state."

"Rumor whispers that it will be Mrs. Dale Hartley Baker, sister-in-law of Attorney General Baker of Nevada. The lady resides at Oakland, but she visits Carson City and very marked are the attentions paid the lady by the governor during these visits."

Boy At Big Pine

Friends of Mrs. A. H. Stewart, nee Mary Kismiller, will be pleased to learn that a baby boy came to her home at Big Pine, California, on the second inst.

TIPS FOR THE DRY FARMERS OF NEVADA

One of the most valuable and practical reports ever issued for the benefit of the dry farmers of Nevada, Oregon, Washington, Idaho, Utah and other states in the north Pacific coast and in the great basin has just been published by the International Dry Farming congress, whose next great convention will be held in Canada in October, 1912, says the Reno Gazette.

It is a committee report on drought resisting crops, the section referred to being covered by Prof. F. D. Farrell of the United States department of agriculture. Prof. Farrell states that the cereal crops are those in which the most dependence can be placed throughout all of this great area. Wheat is first in importance. Winter wheat, especially Turkey Red, is invariably preferable to the spring varieties in the great basin. Winter oats are promising but not dependable. Winter barley is also reasonably sure. Winter emmer for stock feed, rye for late fall and early spring pasture and as a grain crop, alfalfa for soil improvement and for forage, brom grass for pasture, and potatoes on small fields are especially recommended for the dry farmers of this region. Many years of experience have demonstrated that spring oats, spring barley, spring wheat, corn, flax and Canada peas are not desirable or successful crops in the great basin, except in limited and especially favored areas.

"Too many farmers, says the report, 'are inclined to look to new and strange crops for easy success. It should be remembered that the crops which have been grown the longest in any locality are usually best able to understand the unfavorable conditions, common to that locality. For that reason it is well for farmers to be extremely cautious in the matter of trying new crops, and not to purchase large quantities of foreign seed at high prices. All preliminary trials should be made on a small and inexpensive scale.'"

MASON VALLEY PLANT SUCCESSFULLY BLOWN-IN

On the 6th inst., after construction work extending over a year, involving expenditure of nearly a million dollars, the first furnace of the Mason Valley Mines company was successfully blown in. Ore is on hand to keep the furnaces going continuously and the opportunity is at hand for which mines, mine owners and prospectors have been waiting for years in western Nevada.

The starting of the smelter will provide a reduction point for mines in Mason, Luning and other Nevada and California points. The smelter is located at Thompson, 12 miles from Yerington. Its principal ore supply comes from the Nevada Douglas and Mason Valley mines.

THE FIRST SUGAR PRODUCED AT FALLON

A special dispatch to the State Journal from Fallon, Nev., Jan. 7th inst. says: The first sugar from the sugar beet factory at Fallon was obtained this afternoon at 2 o'clock after the factory had been working on the first shipment of sugar beets put into the great hoppers in the beginning of the week. It proved to be of excellent quality and the product showed that the beets were equally up to the standard showed by the tests and analysis made in advance.

The process of putting the sugar into sacks has commenced and now that the cycle of the work has been completed, the work from every department will go on in an uninterrupted round until the entire crop of last year is transformed into sugar.

BRIEF ITEMS FROM LINCOLN HIGH SCHOOL

Special to the Record
PANACA, Nev., Jan. 12.—The Lincoln County High school opened on the 8th inst. in the new building with an enrollment of thirty members. The students, Misses Purkins, Riding, Foster, Culverwell and Ellis Riding have returned to school after spending the holidays at their respective homes.

Prof. Miles, Harris, Morris and Miss Nath, returned from Las Vegas Saturday where they went to attend the institute.

The two grammar school teachers, the Misses Kennedy and Smith, returned from Tonopah Tuesday morning.

Think of it. We have four new pupils. Miss Myrtle Lee, Ruben Bradshaw, Joe Ronnow and Lave Wadsworth.

The school activities are kept up and the boys can be seen on the campus every evening.

ERASTUS HANSEN